GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:1311
ANSWERED ON:02.05.2016
Trade Promotion Activities
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Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the details of trade promotion activities undertaken by the Department of Foreign Trade and Export Promotion during the last three years;
(b) the details of markets which have been developed for Indian exports by the said Department;
(c) whether this Department has been successful in showcasing Andhra Pradesh as a trade and investment destination and if so, the details thereof;
(d) the details of the institutions which have received grants from the Department for Promotion of Indian Exports; and
(e) the quantum of grants given to these institutions for export promotion and the results from the promotion campaigns of these institutions?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (INDEPENDENT CHARGE)
(SMT. NIRMALA SITHARAMAN)

(i) A department by the name of the Department of Foreign Trade and Export Promotion does not exist in Government of India. However, the following are some of the measures taken by Department of Commerce to promote foreign trade :

i. Earlier there were 5 different schemes [Focus Product Scheme, Market Linked Focus Product Scheme, Focus Market Scheme, Agri. Infrastructure Incentive Scrip, Vishesh Krishi and Gram Udyog Yojana (VKGUY)] for rewarding merchandise exports with different kinds of duty Scrips with varying conditions attached to their use. Now all these schemes have been merged into a single scheme, namely Merchandise Export from India Scheme (MEIS) with simplified conditionality. The MEIS was introduced i n the Foreign Trade Policy (FTP) 2015-20 on April 1, 2015.MEIS aims to incentivize export of merchandise whichare produced/manufactured in India. At the time of introduction of MEIS on April 1, 2015, the scheme covered 4914 tariff lines at 8 digit level. Countries of the globe were grouped into 3 market categories (Country Group A, Country Group B & Country Group C) for grant of incentives under MEIS. Slight changes in lines covered etc. were made on 14.07.2015 and 15.7.2015. Thereafter on 29.10.2015, 110 new Tariff Lines at 8 digit level were added under the scheme. The rates/country coverage for 2228 lines at 8 digit level were enhanced. As on date, 5012 Tariff Lines at 8 digit level are eligible for rewards under MEIS. The annual resource allocation under MEIS was enhanced from Rs. 18000 crore to Rs. 21000 crore in October 2015.

ii. The Government has introduced the Interest Equalisation Scheme on Pre & Post Shipment Rupee Export Credit with effect from 1.4.2015. The scheme is available to all exports under 416 tariff lines [at ITC (HS) code of 4 digit] and exports made by Micro, Small & Medium Enterprises (MSMEs) across all ITC (HS) codes. The rate of interest equalisation is 3% per annum.

iii. In addition the Government continues to provide the facility of access to duty free raw materials and capital goods for exports through schemes like Advance Authorisation, Duty Free Import Authorisation (DFIA), Export Promotion Capital Goods (EPCG) and drawback/refund of duties.

iv. In last three years ,the details of authorizations/ scrips issued under various schemes are as under

Scrip/Authorisation value (Rs. In crore)

Sl. No.	Scheme	2013-14	2014-15	2015-16
1	Export Promotion Capital Goods (EPCG)	14080	15150	13366
2	Advance Authorisation	160620	157785	166436
3	Advance Authorisation for Annual Requirements	14283	14079	6686
4	Duty Entitlement Pass Book Scheme (DEPB)	225	54	102
5	Duty Free Import Authorisation (DFIA)	27915	31258	388
6	Focus Market Scheme	2721	3080	2369
7	Focus Product Scheme	8733	10495	6380
8	Import Licence for restricted list of import items	33514	85892	94069
9	Incremental Export Incentivisation Scheme	14	81	455
10	Served From India Scheme	1420	1300	1125
11	Status Holder Incentive Scrip	2290	783	383
12	VisheshKrishi and Gram Udyog Yojana	2748	3291	1441
13	Merchandise Exports From India Scheme (MEIS)	Scheme started on 1/4/2015	Scheme started on 1/4/2015	4103

(v). The Government facilitates exporters and the Export Promotion Councils to deepen exports in traditional markets, and identify new markets and products with potential through schemes like Marketing Development Assistance (MDA) and Market Access Initiative (MAI). Department of Commerce provides support to Export Promotion Councils (EPCs), Trade Bodies, etc. in their export promotion activities under the Marketing Development Assistance (MDA) Scheme and the Market Access Initiative (MAI) Scheme. The number of projects/studies approved under the MAI Scheme during the last three years and the current year to promote India's exports is as under:

Year Number of projects approved
2013-14 170
2014-15 239
2015-16 205
2016-17 200

(b) Under MEIS Markets/countries of the globe are grouped into 3 categories for grant of incentives under MEIS :-

Category A: Traditional Markets (34)

Include European Union (28), European Free Trade Association(EFTA) (Switzerland, Norway, Iceland and Lichtenstein-4), USA and Canada(2).

Category B: Emerging & Focus Markets (140)

Include Africa (55), Latin America and Mexico (45), CIS countries (12), Turkey and West Asian countries (13), ASEAN countries (10), Japan, South Korea, China, Hongkong and Taiwan(5).

Category C: Other Markets (64).

Indian Exports covers large number of markets. The commodity-wise and country-wise data on quantum and value of exports and imports of the country for the last three years is available in the CDs of DGCI&S publication 'Monthly Statistics of Foreign Trade of India' Vol. 1 (Exports) and Vol.II (Imports) for March 2014, March 2015 and January 2016 (latest available CD). These CDs are also regularly sent to Parliament Library by DGCI&S, Kolkata for reference. During 2015-16,India exported to 227 countries and imported from 213 countries.

(a) Government schemes and efforts are country wide in nature and support export promotion activities across States including in Andhra Pradesh. The direction of trade flows and the underlying trade potential across countries and commodities is a dynamic phenomenon. The schemes like MDA and MAI enable exporters to identify export opportunities and pursue them.
The Export figure for Andhra Pradesh for last three financial years is as follows:

YEAR VALUE(RS.Cr.)
2013-14 93860.35
2014-15 97162.41
2015-16 79459.97*

[*Note: The data on state of Origin has certain limitations . Prior to the allotment of state code to Telengana, the entire exports were included under Andhra Pradesh. In December 2014, a separate state code was allotted to Telengana].

(b) & (e). The details of funds released to Andhra under State Component of the Assistance to States for Infrastructure Development of Exports Scheme during the last three years is as follows:
(Rs. In crore)
2012-13 2013-14 2014-15
36.44 39.09 20.38

The details of Export Promotion Council which received MAI and MDA grants is annexed.

GRANTS RELEASED TO EXPORT PROMOTION COUNCILS DURING LAST THREE FINANCIAL YEARS (2013-14, 2014-15 & 2015-16)
Grant (In Rs.)
S.no Name of organisation/ Council 2013-14 2014-15 2015-16
MDA MAI MDA MAI MDA MAI
1 APPAREL EXPORT PROMOTION COUNCIL 155,00,000 1300,38,881 58,10,000 1288,84,384 75,00,000 1238,45,045
2 CHEMICALS & ALLIED PRODUCTS EXPORT PROMOTION COUNCIL 246,92,000 171,19,558 245,00,000 60,03,041 200,00,000 28,68,579
3 CARPET EXPORT PROMOTION COUNCIL 181,60,000 1155,57,564 180,00,000 735,36,243 183,34,000 1232,78,945
4 CASHEW EXPORT PROMOTION COUNCIL 69,90,000 60,00,000 97,60,000 40,50,000 18,41,000 36,19,631
5 BASIC CHEMICALS, PHARMACEUTICALS & COSMETICS EXPORT PROMOTION COUNCIL 540,00,000 1057,57,455 545,11,000 449,82,097 546,09,000 511,42,821

6 COUNCIL FOR LEATHER EXPORTS 226,50,000 689,91,490 207,95,000 521,06,462 240,04,000 764,54,413
7 ENGINEERING EXPORT PROMOTION COUNCIL 420,00,000 1490,30,686 510,00,000 2967,02,058 500,00,000 1635,69,225
8 EXPORT PROMOTION COUNCIL FOR EOU&SEZ 30,00,000 - 26,25,000 - - -
9 EXPORT PROMOTION COUNCIL FOR HANDICRAFTS 475,00,000 683,88,796 437,25,000 797,31,742 300,00,000 1023,94,130
10 ELECTRONICS & COMPUTER SOFTWARE EXPORT PROMOTION COUNCIL 185,50,000 732,82,053 210,00,000 572,92,169 200,00,000 692,78,596
11 GEM &JEWELLERY EXPORT PROMOTION COUNCIL 312,78,000 1470,62,068 284,40,000 1484,35,649 - 1139,87,841
12 HANDLOOM EXPORT PROMOTION COUNCIL 70,00,000 408,98,633 80,00,000 365,90,432 103,00,000 292,53,363
13 INDIAN OILSEEDS & PRODUCE EXPORTERS ASSOCIATION 60,00,000 - 60,00,000 - 100,00,000 -
14 INDIAN SILK EXPORT PROMOTION COUNCIL 98,14,000 86,94,200 100,00,000 278,09,011 - 168,53,127
15 POWERLOOM DEVELOPMENT EXPORT PROMOTION COUNCIL 35,00,000 84,33,018 40,00,000 100,69,671 - 48,08,617
16 PHARMACEUTICALS EXPORT PROMOTION COUNCIL 600,00,000 1562,21,680 625,00,000 1479,62,157 900,00,000 2444,18,388
17 PLASTIC EXPORT PROMOTION COUNCIL 157,86,000 172,25,426 200,00,000 241,09,267 200,00,000 494,02,292
18 SERVICES EXPORT PROMOTION COUNCIL 17,50,000 - 18,75,000 - - 111,56,158
19 SPORTS GOODS EXPORT PROMOTION COUNCIL 49,00,000 283,40,000 70,10,000 215,00,000 82,22,000 168,67,550
20 SHELLAC EXPORT PROMOTION COUNCIL 35,00,000 - 15,00,000 - - -
21 SYNTHETIC & RAYON TEXTILE EXPORT PROMOTION COUNCIL 156,30,000 169,37,700 140,43,000 80,00,000 182,98,000 49,60,000
22 TELECOM EQUIPMENT & SERVICES EXPORT PROMOTION COUNCIL 200,00,000 32,00,000 220,00,000 55,40,075 198,00,000 127,40,434
23 COTTON TEXTILES EXPORT PROMOTION COUNCIL 135,00,000 753,47,056 111,05,000 354,02,358 200,00,000 533,37,513
TOTAL 4457,00,000 12365,26,264 4481,99,000 12087,06,816 4229,08,000 12742,36,668